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FISCAL IMPACT STATEMENT

LS 6781

BILL NUMBER: SB 363

NOTE PREPARED: Jan 9, 2014

BILL AMENDED:

SUBJECT: Complexity Index Calculation.

FIRST AUTHOR: Sen. Mishler

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill provides that the following apply in the case of a school corporation that does not request reimbursement from the state for providing free curricular materials to students:

1. The complexity index used in determining state funding is based on the percentage of the school corporation's students who were eligible to receive free curricular materials. (Under current law, the complexity index is based on the number of students receiving such assistance.)
2. The school corporation shall estimate and report to the Department of Education the percentage of the school corporation's students who are enrolled in the school corporation and are eligible for such assistance.

The bill authorizes the State Board of Education to adopt emergency rules to implement this provision.

Effective Date: Upon passage.

Explanation of State Expenditures: The bill could increase the tuition support expenditures for FY 2015. For FY 2014, 11 charter schools did not request curricular materials reimbursement; therefore, under current law their complexity grant would be zero. The bill would allow schools not requesting curricular materials reimbursement to submit data on the number of students that are eligible for curricular materials reimbursement, and that information would be used to compute the complexity index grant for those schools. The bill could increase tuition support expenditures by about \$10 M for FY 2015. The current school formula expires on June 30, 2015, so the future impact would depend on future school formulas approved by the General Assembly.

The school formula appropriation was built using a projected complexity index for each school including

schools that had not requested curricular materials reimbursement, so the appropriation should be sufficient to fund the increase in expenditures.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: See *Explanation of State Expenditures*.

State Agencies Affected: Department of Education.

Local Agencies Affected: Schools that did not request reimbursement for curricular materials.

Information Sources: Department of Education databases; Legislative Services Agency's school formula simulation.

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